1 4 OCT 1975

MEMORANDUM FOR: D/DCI/IC

SUBJECT

: Issue Options and Actions

1. There is considerable overlap between the various papers offered for comment. We have numbered the separate papers as they were packaged, and comment on each briefly below.

## Option #1 - Legislation on "abuses"

Whatever limitations the Congress may place on the intelligence agencies, consideration should be given advocating retention of those authorizations necessary to conduct domestic security and intelligence operations.

CIA should retain authority for security investigations of those who are to have, or do have, access to its classified information. Necessary surveillance should be included in this. Further, CIA must have authority to engage in operations against foreign intelligence targets in the U.S.

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## Option #2 - Structural changes

In any consideration of how to revise the present role of the DCI, consideration must be given the position of the <u>President's</u> special advisor on national security affairs. In the past, depending on his interests and character, he has played a role that would be affected by whatever new role is envisioned for the DCI. He is at least going to have to "move over" a bit. The role between policy and intelligence tends to become blurred in people's minds, but it should be considered consciously here.

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The intelligence requirements of past advisors will conflict with perceptions of the new White House DCI (WH/DCI), if that is the route to be taken.

- a. NIEs. The present NIO structure remains a viable concept. It may be useful to consider strengthening the NIOs with some increase in staff, serving on a rotational basis to avoid developing a vested interest on the part of the staff in style, format or cant. If there is to be a White House DCI (WH/DCI) this would probably be a proper part of his equipment. (See further discussion below for the other organizational trappings of the WH/DCI).
- b. Budget. The present D/DCI/IC structure constitutes a basic organizational approach to getting a handle on "community" fiscal affairs. This would be a proper piece of equipment for the DCI, whether he remains at CIA or assumes a new position at EOB. The main requirement would be authorization to play some role in the business of budgeting, which must take into account the role of OMB

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c. Community Inspector General. This concept is probably in reaction to current criticisms, and a sense of appearing to do something by way of future control of "abuses." It flies in the fact of practical considerations, and in any event is poor administrative practice.

While a D/DCI/IC can get a handle on budgetary information, the role of an IG over the various departments and agencies would be nearly impossible to carry out effectively; it would create a bureaucratic monster that would hardly justify the vaguely conceived purpose. If the Community IG were considered to be concerned with management effectiveness, he would be addressing problems of the responsibility of the separate commands already subject to D/DCI/IC attention. If he were concerned with abuses, he would have problems inherent in knowing where to look for whatever it was that he felt he was seeking. An inspection operation must have some familiarity with the organization under review, and some frame of reference for judging what he sees; this concept is too theoretical for practical value.

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The Rockefeller Commission conceived for CIA an IG with the right to report to outside authority, and some arrangement for doing so. This is practical, while retaining the primary responsibility where it belongs, in the chain of command.

d. <u>Director of CIA</u>. Assuming a White House DCI, a separate Director of CIA, per se, is a logical follow-on, to ensure the day-to-day direction of the Agency while the White House DCI addresses community problems.

The new senior intelligence officer (called White House DCI in this comment) could assume the role of Executive Agent for both the SIGINT and reconnaissance programs. As noted above, this would serve to strengthen his role over budgetary considerations.

While the Options paper poses the question of dissolving DIA, the reasons for it are not all that apparent. It is argued, we know, as to how well it has worked, but the reasons are not necessarily in the basic concept, as much as in how the various authorities have supported it and reacted to it.

## Option #3 - Congressional Oversight

A single congressional Joint Intelligence Committee, not unlike the Joint Atomic Energy Committee, has attractions. It would reduce the number of committees to which intelligence budgeting had to be presented, and to which reporting should be made. It would tend to strengthen security at the same time that it builds responsibility and authority.

The conception of an Executive/Congressional commission has many undesirable features. The mixing of Executive and Congressional responsibilities is difficult, and it is doubtful that this would appear attractive to Congress, however much it wishes to share responsibility for executive functions. It should not be pressed.

## Option #5 - The BNE/NIO Issue

Our comments on this are under Option #2.

#### Option #6 - Budget Guidance

As discussed above, the D/DCI/IC has a function appropriate for the new White House DCI. While final responsibility will remain with the departments, such a central over-view within the Executive has much to be said for it. The relationship between this and OMB should be reinforcing rather than redundant.

#### Option #7 - Intelligence Support to Congress

The first priority should be that of the oversight committee(s). If there is a new joint committee, security problems should be minimized for handling of sensitive materials. The varying briefing support and other support now given the Congress would seem to be susceptible to handling by OLC about as in the past.

#### Option #8 - Covert Action

The US government must retain some capability for CA. The question will prove to be that of where it is to be lodged.

The State Department will find it diplomatically undesirable to have the Secretary of State and the ambassadors saddled with legislative responsibility for carrying on this activity. The Congress probably will find problems in turning it over to the military. The answer will be in the ability of Congress to satisfy itself with its oversight arrangements, and Executive reporting to it of CA programs.

#### Option #9 - Executive Oversight

The tendency seems to be that of looking for simple mechanical formulations.

The discussion of a White House DCI raises the level of responsibility to the Executive, and compelling attention to internal activities of the intelligence community at a level of detail that used to be held internally. The old instruction to Eisenhower--"invade-Europe-and-destroy-the enemy" kind of policy directive--will no longer hold for the intelligence community, especially in Covert Action.

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While the NSC-40 Committee mechanisms would seem on their face adequate, it is clear that the record does not satisfy the Congressional idea of how the Executive should establish and maintain control of what is going on. The White House DCI, and the community machinery will continue to serve, but Congress will be more interested in its own oversight, and is less likely to spell out how the President is to keep in touch with the day-to-day developments in the intelligence community. The answer to the satisfactory nature of future executive oversight is likely to be a balance of Congressional satisfaction with its own oversight, and some new form for reporting to the President and better arrangements for control by him (the White House DCI seems to serve this purpose).

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Deputy Inspector General

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